

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
	)	
<b>PHONECARD NETWORKS, LLC</b>	)	File No. ITC-214-2001-_____
	)	
Application for Global Authority Pursuant to	)	
Section 214 of the Communications Act	)	
of 1934, as amended, to Operate as an	)	
International Facilities-Based and Resale Carrier	)	
Between the United States and Various	)	
International Points	)	

**APPLICATION**

Phonecard Networks, LLC ("Phonecard" or "Applicant"), by its undersigned counsel, hereby requests global facilities-based authority and global resale authority, under Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18, to provide international telecommunications services between the United States and international points. This application qualifies for streamlined processing.

**I. THE APPLICANT**

Phonecard Networks, LLC is a limited liability company organized under the laws of the State of Washington. Phonecard is not affiliated, as that term is defined within the meaning of Section 63.09(e) of the Commission's Rules, 47 C.F.R. §63.09(e), with any non-dominant foreign carrier in a country where it intends to provide services. Phonecard is not dominant on any route between a destination country and the U.S., nor does it appear on the Commission's list of carriers presumptively deemed to have market power pursuant to Section 63.10(a)(3) of

the Commission's Rules, 47 C.F.R. §63.10(a)(3). Therefore, Phonecard qualifies for a presumption of non-dominance under Section 63.10(a)(1) of the Commission's Rules, 47 C.F.R. § 63.10(a)(3), and its application is eligible for streamlined processing pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12.

## **II. PUBLIC INTEREST CONSIDERATIONS**

Applicant believes that the added competition its entry will bring to the market will benefit consumers of United States-overseas services. These benefits include competitive pricing and increased availability of a variety of service options. Therefore, a grant of this Application will further the public interest.

## **III. INFORMATION REQUIRED BY SECTION 63.18**

Applicant submits the following information, as required by Section 63.18 of the Commission's Rules, in support of its request for Section 214 authorization:

- (a) Name, address and telephone number of Applicant:

Phonecard Networks, LLC  
1325 4<sup>th</sup> Avenue, Suite 940  
Seattle, WA 98101  
Telephone: (206) 621-5838  
Facsimile: (206) 624-0717

- (b) Applicant is organized under the laws of the State of Washington.

- (c) Correspondence concerning this application should be sent to:

Andrew D. Lipman  
Douglas D. Orvis II  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, N.W., Suite 300  
Washington, D.C. 20007  
Tel: (202) 945-6941  
Fax: (202) 424-7645

with a copy to:

Bob Marquardt  
Phonecard Networks, LLC  
1325 4<sup>th</sup> Avenue, Suite 940  
Seattle, WA 98101  
Tel: (206) 621-5838  
Fax: (206) 624-0717

- (d) Applicant has not previously received authority under Section 214 of Act. Upon grant of this Application, Phonecard will become an authorized non-dominant facilities-based carrier and reseller with global authority, pursuant to Section 214 of the Act and the Commission's Rules.
- (e)
  - (1) Applicant requests Section 214 authority to operate as a facilities-based carrier pursuant to Section 63.18(e)(1) of the Commission's Rules. Applicant requests such authorization for all international routes authorized by the Commission. Applicant certifies that it will comply with the terms and conditions of Sections 63.21 and 63.22 of the Commission's Rules.
  - (2) Applicant also requests Section 214 authority to resell the international services of authorized U.S. common carriers pursuant to Section 63.18(e)(2) of the Commission's Rules. Applicant requests such authorization for all international routes authorized by the Commission. Applicant certifies that it will comply with the terms and conditions contained in Section 63.21 and 63.23 of the Commission's Rules.
- (f) Applicant seeks authority to provide only the services referenced under paragraph (e) of Section 63.18 of the Commission's Rules.
- (g) Because Applicant is not seeking facilities-based authority pursuant to Section 63.18(e)(4) of the Commission's Rules, this Section is not applicable.
- (h) The following entities hold a ten percent (10%) or greater ownership or management interest in Phonecard Networks, LLC:

Name: Timothy M. Friedrichsen  
Address: 1181 Grier Drive, Suite B  
Las Vegas, Nevada 89119  
Percentage Held: 21%  
Citizenship: USA  
Principal Business: Telecommunications

Name: Adam D. Tillis  
Address: 1221 1<sup>st</sup> Avenue #1915  
Seattle, WA 98101  
Percentage Held: 29%  
Citizenship: USA  
Principal Business: Telecommunications

Name: Steven J. West  
Address: 11855 SE 256<sup>th</sup> St.  
Kent, WA 98031  
Percentage Held: 27%  
Citizenship: USA  
Principal Business: Telecommunications

Phonecard does not have any interlocking directorates with any foreign carrier.

- (i) Phonecard certifies that it is not affiliated with any foreign carrier which provides basic telecommunications services as described in Section 63.18(j) of the Commission's Rules, 47 C.F.R. § 63.18(j).
- (j) The Applicant seeks to provide international telecommunications services to all global points, except those points on the Commission's Exclusion List.
- (k) Not Applicable
- (l) The Applicant should be classified as non-dominant pursuant to Section 63.10(a)(3) of the Commission's Rules, 47 C.F.R. §63.10(a)(3). The Applicant has no foreign carrier affiliates and will have a market share significantly less than 50% in the international transport and local access markets in the countries in which it is operating. Accordingly, the Applicant does not possess market power.
- (m) As described in Paragraph (l) above, the Applicant presumptively qualifies for non-dominant treatment for the provision of all international telecommunications services pursuant to Section 63.10 of the Commission's Rules, 47 C.F.R. §63.10.

- (n) Phonecard has not agreed to accept special concessions either directly or indirectly with any foreign carrier possessing market power on the foreign end of the route.
- (o) Phonecard certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301), that no party to its application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Applicant qualifies for streamlined processing pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12, because Sections 63.12(c)(1)-(4) do not apply to Applicant.

#### **IV. CONCLUSION**

For the reasons stated above, Phonecard Networks, LLC respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Section 214 Application.

Respectfully submitted,

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Andrew D. Lipman  
Douglas D. Orvis II  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, N.W., Suite 300  
Washington, DC 20007  
Tel: (202) 945-6941  
Fax: (202) 424-7645

Counsel for Phonecard Networks, LLC

Dated: July 11, 2001

**CERTIFICATION OF APPLICANT**

On behalf of Phonecard Networks, LLC I hereby certify that the statements in the foregoing Application for Section 214 authority are true, complete, and correct to the best of my knowledge and are made in good faith.

By: \_\_\_\_\_

Name: Robert H. Marquardt

Title: Vice President

Date: 07-09-01